

- SUBJECT:** Relating to the duties of certain inter-agency teams.
- COMMITTEE:** Government Efficiency and Reform — favorable, without amendment
- VOTE:** 6 ayes — Harper-Brown, Perry, Capriglione, Stephenson, Scott Turner, Vo
0 nays
1 absent — Taylor
- WITNESSES:** For — (*Registered, but did not testify:* Annie Mahoney, Texas Conservative Coalition)

Against — None

On — (*Registered, but did not testify:* David Brown, Department of Information Resources; Deborah Hujar, Department of Information Resources)
- BACKGROUND:** Government Code, sec. 2054.158 provides for the creation of a Quality Assurance Team (QAT). The state auditor, Legislative Budget Board, and Department of Information Resources in creating this team must specify each member agency's responsibilities in performing the duties assigned to QAT by law.

The Contract Advisory Team (CAT) was created under Government Code, sec. 2262.101 to assist agencies in improving their management of contracts. The team consists of five members from five agencies: the comptroller's office, attorney general's office, the Department of Information Resources, the Texas Building and Procurement Commission, and the governor's office. The duties of CAT include reviewing state agencies' solicitation of major contracts, reviewing the findings of the state auditor regarding agencies' compliance with the contract management guide, and making recommendations to the comptroller on the development of the guide.
- DIGEST:** HB 1965 would amend Government Code, sec. 2054.158 to require the Quality Assurance Team to perform the following actions:

- develop and recommend best practices to improve the contract management process of state agencies;
- develop and recommend procedures to improve value-based decision making in state agency contracting practices; and
- monitor state agencies to see if they are meeting the needs of the persons to whom the agencies provide services.

The bill would also amend Government Code, sec. 2262.101 to assign the same three functions to the list of duties of the Contract Advisory Team.

The bill would take effect September 1, 2013.

**SUPPORTERS
SAY:**

The bill would amend statute to better define the duties of the Quality Assurance Team, which assists with major information systems contracts, and the Contract Advisory Team, which advises on professional service-related contracts.

At the close of fiscal 2010, the state had almost 5,000 open contracts each worth \$1 million or more. State laws exist to ensure state agency employees receive contract training and guidance. However, the nature of existing contract and procedural guidance has tended to create a risk-averse culture emphasizing administrative compliance versus strategic outcome-based contractor performance. With this bill, contract guidance would be refocused on quality and achieving value for those served by state agencies.

Approving HB 1965 would keep the bill moving through the legislative process, during which any concerns about the need for additional resources could be addressed.

**OPPONENTS
SAY:**

The bill would require monitoring state agencies to determine if they were meeting the needs of those receiving services. The comptroller, for example, would have to set up a reporting structure, hire contract specialists to sift through the reports, and provide the reports to the Contract Advisory Team at its quarterly meetings. Additional resources likely would be needed to meet such requirements.